

**CITY COUNCIL MEETING OF  
February 21, 2007**

**VERBATIM TRANSCRIPT – ITEM 50**

**Item 50 – Discussion and possible action to authorize the City Manager to pay \$273,000 as the City’s portion of a proposed settlement in the matter of City of Las Vegas and Nevada Business Services v. Las Vegas City Employees Association (LVCEA), Nevada Supreme Court Case No. 47902, if other signatories to the Nevada Business Services (NBS) interlocal agreement legally authorize their contractually-required sums - All Wards**

**Appearance List:**

OSCAR GOODMAN, Mayor

BILL HENRY, Senior Litigation Counsel

STEVE WOLFSON, Councilman

STEVEN ROSS, Councilman

LAWRENCE WEEKLY, Councilman

BRUCE SNYDER, General Counsel, Las Vegas City Employees Association

LOIS TARKANIAN, Councilwoman

TOMMY RICKETTS, President, Las Vegas City Employees Association

DIANA REED WATERS

SANDRA MARTINEZ

LARRY BROWN, Councilman

40 minutes

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26   **OSCAR GOODMAN**

27   Item 50 is discussion and possible action to authorize the City Manager to pay \$273,000 as the  
28   City's portion of a proposed settlement in the matter of City of Las Vegas and Nevada Business  
29   Services versus Las Vegas City Employees Association, the LVCEA, Nevada Supreme Court  
30   Case Number 47902, if other signatories to the Nevada Business Services interlocal agreement  
31   legally authorize their contractually required sum. This pertains to all Wards. Mr. Henry.

32

33   **BILL HENRY**

34   Thank you, Mayor. In 1983, the City of Las Vegas entered into an interlocal agreement with  
35   Clark County, and subsequently with other jurisdictions, to create Nevada Business Services.  
36   This was to take advantage of federal funds that were available for job training. And so, in  
37   essence, Nevada Business Services which was a governmental organization under the federal  
38   laws of the time was created to pass through these funds. This interlocal agreement was  
39   amended a number of times, including in 1984 where the signatories contemplated what would  
40   be the responsibility of the signatories for debts that could not be paid with federal funds. And  
41   they entered into an amendment to the interlocal agreement, setting forth a – funding formula.

42   The funding formula that is relevant to us today provided that for any of these debts that could  
43   not be paid by federal funds, the City of Las Vegas would pay 42 percent, Clark County would  
44   pay 42 percent, North Las Vegas would pay nine percent, Henderson would pay five percent and  
45   Boulder City would pay two percent. Around 2000, there was a change in federal law and the  
46   board of Nevada Business Services decided to take advantage of Nevada – of this change in  
47   federal law which permitted a private corporation, if you will, to pass through these funds. And  
48   so, in 2000, a vote was taken to eliminate Nevada Business Services and the next day, Nevada  
49   Business Services Inc. was created.

50   This is relevant because the employees of Nevada Business Services, the governmental entity,  
51   had an employment contract and were represented by the Las Vegas City Employees Association.  
52   This employment contract provided that if there was to be a reduction in force, formal written  
53   notice had to be given. The Executive Director of Nevada Business Services did not give this  
54   formal written notice before he executed a 100 percent reduction in force.

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55 The union, Las Vegas City Employees' union, in behalf of this group of employees, grieved this  
56 matter to the Employee Management Relations Board and they prevailed. The grievance they  
57 chose to file was against Nevada Business Service, a now defunct organization without assets,  
58 and the City of Las Vegas. They could have chosen to file this grievance against all the  
59 signatories but for their own reasons, which I don't know, they just chose the City of Las Vegas.

60 Here was the rub, because under the rules of practice, before the Employees Management  
61 Relations Board, there's no capability the third party in, other defendants. And so we ended up,  
62 in essence, with a judgment against us. Nevada Business Services and the City of Las Vegas  
63 sought judicial review of this under the rules of NRS 233b before a state district judge, and  
64 ultimately the judge ruled in behalf of the Las Vegas City Employees Association. Nevada  
65 Business Services and the City of Las Vegas took an appeal before the Nevada Supreme Court,  
66 and that's where the matter is now. Under the rules of practice of the Nevada Supreme Court, all  
67 civil appeals are subject to mediation or arbitration where a settlement judge is appointed by the  
68 court to get together with the parties and see if something can be worked out. Such a meeting  
69 occurred last year and Nevada Business, or pardon me, the Las Vegas City Employees  
70 Association agreed to settle this matter for six hundred and fifty thousand dollars. This would be  
71 an amount that would be exclusive of interest that had accrued on their cause of action. And –  
72 so, they were giving up something.

73 Having said that, I bring this matter before you and with an agenda item that ask you to authorize  
74 the City Manager to pay the City's forty-two percent of six hundred and fifty thousand dollars,  
75 which would be two hundred and seventy-three thousand dollars, if the other signatories to the  
76 interlocal agreement legally authorize their contractually required sums. That is, if the Clark  
77 County Commission authorizes their manager to pay two hundred and seventy-three thousand  
78 dollars; if the North Las Vegas City Council authorizes their manager to pay \$58,500 and if the  
79 City Managers of Henderson and Boldy, Boulder City agree to pay \$32,500 and \$13,000,  
80 respectively.

81

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82     **MAYOR GOODMAN**

83     All right. Any questions of Mr. Henry? I – have a couple. One, in the appeal to the Supreme  
84     Court, did we raise the issue of not being able to bring in third party defendants?

85

86     **BILL HENRY**

87     The matter has not been briefed yet. There would be two or three issues that, I believe, that we  
88     would bring to the – Nevada Supreme Court. That would be one.

89

90     **MAYOR GOODMAN**

91     Okay, because it seems patently unfair that if the fault lies with another jurisdiction that we get  
92     saddled with the bill. But, you know what, that's for another day and maybe another dollar, but  
93     that's something that concerns me.

94     I'm interested in how the formula was fixed between the various jurisdictions, but that really is  
95     not the main issue. I, if I were North Las Vegas that doesn't have a judgment against me, why –  
96     would I come up with any money? Why – would Boulder City come up with any money or  
97     Henderson if they don't have a judgment against them?

98

99     **BILL HENRY**

100    In my opinion, the interlocal agreement that sets the funding formula going back to 1984 requires  
101    them to step up and pay this amount because the judgment is not only against the City of Las  
102    Vegas but against Nevada Business Services. And because of that, all the signatories have an  
103    obligation.

104

105    **MAYOR GOODMAN**

106    Okay. Assuming arguendo that Henderson says, I'm not paying, what happens?

107

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108 **BILL HENRY**

109 Well, under this agenda item, if you were to vote on – this agenda item as it's written and  
110 authorize the payment, and Henderson or any of the other signatories did not step up, then your  
111 City Manager could not expend the funds, there would not be a settlement, we, and –

112

113 **MAYOR GOODMAN**

114 The appeal –

115

116 **BILL HENRY**

117 – we would brief this matter before the Nevada Supreme Court and see how we did.

118

119 **MAYOR GOODMAN**

120 All right. Councilman Wolfson?

121

122 **COUNCILMAN WOLFSON**

123 Thank you. Mr. Henry, in your opinion if we were to not go along with this settlement, in other  
124 words, all the parties, for whatever reason, aren't on board or if we decide not to do it, what is  
125 our potential exposure on the high side?

126

127 **BILL HENRY**

128 I believe that, at this time, our ex, our potential exposure is eight hundred and fifty to nine  
129 hundred thousand dollars, and depending on how long it takes the Nevada Supreme Court to rule  
130 on this matter, the clock keeps running on the interest.

131

132 **COUNCILMAN WOLFSON**

133 That's the total amount that would be subject to the formula distribution you talked about.

134

135 **BILL HENRY**

136 Yes.

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138 **COUNCILMAN WOLFSON**

139 So our – portion, theoretically, could go from the –

140

141 **MAYOR GOODMAN**

142 Two seventy-two.

143

144 **COUNCILMAN WOLFSON**

145 – two seventy-three up to three or four hundred thousand dollars.

146

147 **BILL HENRY**

148 Well, I mean, we're – assuming the situation with the other jurisdictions won't step forward, and

149 if they don't, the current judgment's against us and NBS. NBS is defunct; has – no assets and so

150 the judgment's against us. And – so, ultimately, under the scenario that you draw out, we could

151 be paying in excess of eight hundred and fifty-nine hundred thousand dollars.

152

153 **COUNCILMAN WOLFSON**

154 Is your recommendation, on behalf of the City of Las Vegas, to enter into this type of settlement?

155

156 **BILL HENRY**

157 It is.

158

159 **MAYOR GOODMAN**

160 Councilman Ross?

161

162 **COUNCILMAN ROSS**

163 Thank you, Your Honor. Councilman Weekly, you wanna go before I do?

164

165 **MAYOR GOODMAN**

166 Oh, I'm sorry.

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168 **COUNCILMAN WEEKLY**

169 No, I was just going to ask the question. And would that be simply because is of the fact that we  
170 are singed on as fiscal agent? And maybe the other municipalities, I don't think that they are. Is  
171 that what's tying us to this?

172

173 **BILL HENRY**

174 No, what's tying us to this is that the complaint that was brought by the Las Vegas City  
175 Employees Association originally was against us, the City of Las Vegas, and Nevada Business  
176 Services. And so the judgment, joint in several, is against us and Nevada Business Services, but  
177 they have no assets.

178

179 **COUNCILMAN WEEKLY**

180 But isn't – that because, I mean, you're saying the City of Las Vegas has bought into it because  
181 of those NBS employees are under the assumption that they were members of the CEA, not  
182 officially City of Las Vegas employees, but because they were under the auspices of the City of  
183 Las Vegas' union.

184

185 **BILL HENRY**

186 I –

187

188 **COUNCILMAN WEEKLY**

189 And that, also too, Mark Vincent, who is our – Finance Director, is signed on as a fiscal agent. Is  
190 – that our – tie in, because I don't think –

191

192 **BILL HENRY**

193 That's –

194

195 **COUNCILMAN WEEKLY**

196 – the other municipalities don't have the same type of tie in that we have.

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198 **BILL HENRY**

199 Well, the other, fundamentally, we all have the same tie is, which is that contractual obligation  
200 dating back in 1984. In addition, if we go back to the action taken in 2000, the two actors  
201 amongst the signatories that were doing, perhaps, relevant things, were Clark County, who  
202 provided Deputy District Attorney to give legal advice on this breakup of NBS and conversion to  
203 NBS Inc. and the City of Las Vegas that was giving management support services, including  
204 financial services. I suspect without knowing that that's why Las Vegas City Employees  
205 Association decided to – name us but not name the others.

206

207 **COUNCILMAN WEEKLY**

208 Okay.

209

210 **MAYOR GOODMAN**

211 Councilman Ross?

212

213 **COUNCILMAN ROSS**

214 I'd like the two gentlemen to introduce themselves before I go on, Your Honor, if that's all right,  
215 with your permission.

216

217 **MAYOR GOODMAN**

218 Very good. Mr. Ricketts.

219

220 **BRUCE SNYDER**

221 My name is Bruce Snyder. I'm the General Counsel for the Las Vegas City Employees  
222 Association. Excuse me. I have Tommy Ricketts, our President here today. We also have a  
223 couple of the class members; Diana Reed Waters and some others sitting down there. Couple  
224 statements. The EMRB and the court did not find that there was liability on the City just because  
225 they were doing administrative tasks. They actually found, in their findings, that the City was a  
226 joint – employer of the NBS employees and there's 23 of them in the class, by the way. That it

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227 went beyond the fact that the City was providing financial support services or human resources  
228 support services, that there was actually an intertwining or intermingling and that they were, in  
229 effect, City employees.

230 Also want to mention that it was more than just NBS closing on June 30th and NBS Inc. opening  
231 on July 1st that what EMRB and the court both found is that the reason for doing so was anti-  
232 union animus. That the employees who were active in the union were not retained by NBS Inc.  
233 and that the NBS Inc. refused to recognize the collective bargaining agreement or the union as  
234 the representative of those employees. And so that certain employees lost their job, those that  
235 were re-hired by the new entity were retained at other than their contractually negotiated rates of  
236 pay and benefits. And that's why the action was brought. I was not the attorney of record at the  
237 time the complaint was filed, so I cannot speak as to all the issues as to why certain people were  
238 included as defendants and others were not. But there were other defendants besides NBS and  
239 the City of Las Vegas. There was also the Job Training Board, which is now defunct. There was  
240 the Southern Nevada Work, Workforce Investment Board, which still exists and Councilman  
241 Ross, I believe, said something, (inaudible) the chair. And there is also the Chief Local Elected  
242 Officials Consortium. These latter two entities, it's our understanding, it's our belief, that they  
243 control the inter-governmental agreement that sets aside which entity pays which percentage on -  
244 - issues like this. And, although, we are grateful that you are going to recommend today two  
245 hundred and seventy-three thousand as your share, we had hoped that since there is a big liability,  
246 we believe we will prevail at the Supreme Court just as we have prevailed at the EMRB and at  
247 the District Court. And by the time the Supreme Court renders its decision, this case will be  
248 about one million to one point one million. And it is joint in several liabilities, so we can just  
249 come back after the City for the full amount and your – entire exposure could be a lot more than  
250 the two seventy-three today. It was our hope today that you were going to recommend the whole  
251 six fifty, then turn around and through action on your behalf, seek contribution from the other  
252 entities by enforcing that inter-governmental agreement. By doing so you would – reduce your  
253 ultimate exposure that you would have under this case, should we prevail at the Supreme Court  
254 and the other entities in the meantime do not agree to settle. If I was some of the other entities,  
255 maybe I would not settle because they were not named as defendants. And so, you know, for

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256 example, Boulder City, I'm not sure if they're gonna settle and they're with their small  
257 contribution could put a hindrance and could totally upgradely (sic) your liability potential for the  
258 future. So, we were hoping that you would recommend the whole six fifty turn around and in the  
259 future take appropriate legal action to recover the difference between six fifty and two seventy-  
260 three by enforcing the – agreement.

261 The other alternative would be to have the Southern Nevada Workforce Investment Board  
262 directly approve the whole six fifty and that Board itself enforce all the entities who belong to  
263 that Board, all the different jurisdiction, force them to contribute, including yourself to contribute  
264 your share. So, that's another way of resolving the issue.

265

266 **MAYOR GOODMAN**

267 We're – sort of in a blind spot here, as far as whether or not we'll ever be able to get any kind of  
268 enforcement from the other entities, assuming that we would follow your suggestion, which I'm  
269 not of the mind to do at this point. I, it bothers me greatly that there is a law in effect that doesn't  
270 allow us to bring in the other parties so that they would be a party to the law suit and be subject  
271 to whatever liability there is at the end of the day. That seems to be a legitimate, appellant issue  
272 to me, but how do you respond to that, on that issue because we don't have – the pleading before  
273 us and basically we're relying on briefings from our City Attorney's Office as to how to go on this  
274 thing. But on that issue, how do we stand on the, how – do you evaluate the issue as to whether  
275 or not a law which would preclude a – defendant from bringing in third party defendants to share  
276 in the liability? How that –

277

278 **BRUCE SNYDER**

279 Well –

280

281 **MAYOR GOODMAN**

282 – would stand out?

283

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284 **BRUCE SNYDER**

285 Thank you. It's my understanding that the City did file a motion to dismiss when the complaint  
286 was first filed with EMRB, on this very issue, that all the necessary parties were not named as  
287 defendants. That motion to dismiss was not granted. Later on it was arranged, I believe, at the  
288 hearing and the EMRB stated that there were, other than, perhaps not all the parties that could  
289 have been named were named, that the parties that were named were sufficient to go forward.  
290 This was an item that the City and, I believe, the County both raised in front of Judge Togliatti  
291 and her – decision was about 60 pages; it took about a year to write. And I can give all of you a  
292 copy. Sorry. But, and she went into great detail as to that, although it may not have been the best  
293 thing, it did pass muster in that, you know, the case could go forward and we won and –

294

295 **MAYOR GOODMAN**

296 Is there's actually a law that says you can't bring in third party defendants?

297

298 **BRUCE SNYDER**

299 I'm not aware of that, but I – guess right now that's neither here nor there. I mean –

300

301 **MAYOR GOODMAN**

302 No, I –

303

304 **BRUCE SNYDER**

305 – it's past the EMRB, it's past, you know –

306

307 **MAYOR GOODMAN**

308 I understand –

309

310 **BRUCE SNYDER**

311 – the Supreme Court.

312

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313     **MAYOR GOODMAN**

314     It is an appellant issue or it may be an appellant issue. Okay. I – understand

315

316     **BRUCE SNYDER**

317     Right.

318

319     **MAYOR GOODMAN**

320     – where you’re coming from.

321

322     **BRUCE SNYDER**

323     Yeah.

324

325     **MAYOR GOODMAN**

326     Anybody else? Okay. Councilman Ross?

327

328     **COUNCILMAN ROSS**

329     Thank you, Your Honor and thank you gentlemen. Mr. Henry, I appreciate your presentation,

330     Mr. Snyder, yours as well. This isn’t one of the most favorite things we get to deal as public

331     servants here on this Council, Your Honor, and it’s quite unfortunate. This – is simply, we need

332     to do what’s right. Years ago a collective bargaining item was ignored by a previous Director.

333     And do you remember the Director’s name, Mr. Henry, at the time?

334

335     **BILL HENRY**

336     Richard Blue.

337

338     **COUNCILMAN ROSS**

339     Mr. Blue had either neglected to or on purpose had ignored this collective bargaining issue,

340     which has been a great concern of mine. These employees were displaced and as a result of this,

341     these – bad choices, and this could have been avoided easily enough by following that collective

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bargaining agreement. As we've already been heard today, this has gone through a tremendous process. The ones that are suffering from this, of course, are those – employees who – lost their jobs and part of this suit.

The item, gentlemen, on the agenda today is our portion of the writ, of the settlement, and I think it's – only right that we, as a City, be proactive in this approach. Right now with this dollar amount, our share of forty-two percent, because we need to be the lead here and example, in regards to the other municipalities that share a cost in this, to my colleagues, I want to share that with you.

We certainly could have put that entire amount on the agenda, but I don't think that would have given them the opportunity to participate. Each municipality needs to put this on their agendas for approval. I have not received, and I'm sharing this with my Councilmembers and Your Honor, any inclination that any of them have, are dodging their financial responsibility, as to their portion of this settlement. And until that time, I'm gonna move forward with good faith. Just a correction, Mr. Snyder, I'm the Chairman of the Local Elected Official Consortium; wouldn't want the responsibility of being the Chairman, more so, of that Workforce Board. But this is, again, one of those challenges that occurred years ago and it's unfair if we continue to draw this out. And, Mr. Snyder, Mr. Ricketts, you have my commitment that I work closely with the other municipalities to get this to some kind of closure. This is our portion of it. We're gonna – stand by that and do what's right. And I would ask my – fellow constituents to do the same in supporting that.

**MAYOR GOODMAN**

I appreciate that. I'm gonna do it on the proviso that we get an answer within or you try to get an answer within 30 days from the others because I don't want the interest to keep on running if they're not gonna settle it. I want it brought – back to us.

**BILL HERNY**

Well, Mayor, as it stands right now, as I understand it, the interest does not keep on running because there is an offer on the table.

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372   **MAYOR GOODMAN**

373   Okay.

374

375   **BILL HENRY**

376   And the last I heard there was to be a meeting of finance directors about this tomorrow.

377

378   **MAYOR GOODMAN**

379   Okay.

380

381   **BILL HENRY**

382   If you're gonna put a time limit on it, I, given how long it takes to get things on Council agendas  
383   and Commission agenda, I wonder if you'd be willing to go as long as 45 days.

384

385   **MAYOR GOODMAN**

386   Well, certainly. What I wanna do is I wanna stop the interest from running against us. If we're  
387   going to approve our portion today, we shouldn't be penalized if it breaks down with the other  
388   jurisdictions.

389

390   **BRUCE SNYDER**

391   Your Honor?

392

393   **MAYOR GOODMAN**

394   Yes.

395

396   **BRUCE SNYDER**

397   There was originally a deadline in February that was extended and now the settlement judge has  
398   extended the deadline again until April 12th to get all the entities on board. So –

399

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400   **MAYOR GOODMAN**

401   Okay. Well that's –

402

403   **BRUCE SNYDER**

404   And, you know –

405

406   **MAYOR GOODMAN**

407   – ambitious.

408

409   **BRUCE SNYDER**

410   If it looks like it's really gonna happen, we would always be willing to extend it, you know, but

411   there's gotta be a certain time where everybody needs to either vote it up or vote it down.

412

413   **MAYOR GOODMAN**

414   I agree with you. I agree. Okay, may I have a motion, please?

415

416   **COUNCILWOMAN TARKANIAN**

417   Mr. Mayor –

418

419   **TOMMY RICKETTS**

420   Excuse me –

421

422   **COUNCILWOMAN TARKANIAN**

423   – can I ask a question. Oops, you wanted to ask a question.

424

425   **TOMMY RICKETTS**

426   Go ahead, Councilwoman.

427

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428 **COUNCILWOMAN TARKANIAN**

429 Talking with Councilman Ross and we're committing to pay this, but we're committing to pay  
430 this only if the others pay theirs. Should we just make our commitment to pay what we know is  
431 ours? Is there a reason why we don't do that?

432

433 **BILL HENRY**

434 Well, yes, because if we just pay two hundred and seventy-three thousand dollars, I suspect that  
435 the CEA would – be glad to take it, but it would not get us off the hook. If, that is, if the others  
436 didn't come in with their money for the – agreed settlement price of six fifty, then the CEA  
437 would proceed against the City and NBS in the Nevada Supreme Court.

438

439 **COUNCILWOMAN TARKANIAN**

440 I just don't know the hardship that's, because I wasn't here at the time all this happened. The  
441 hardship for those individuals that were in jobs, that were involved, and it seems to me what  
442 you're saying today is, at a minimum, the two hundred and seventy-three is what we owe. We  
443 may owe more if the others don't contribute. Am I misunderstanding that? But don't we owe  
444 the two seventy-three one way or the other?

445

446 **COUNCILMAN ROSS**

447 Your Honor, could –

448

449 **BILL HENRY**

450 No.

451

452 **COUNCILMAN ROSS**

453 – I answer that for the Councilwoman?

454

455 **COUNCILWOMAN TARKANIAN**

456 Is there a legal aspect to this I'm not understanding?

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458 **BILL HENRY**

459 Well, there's perhaps a legal aspect that I haven't adequately explained, Councilwoman. We –  
460 either have a settlement at sixty-fifty or we don't.

461

462 **COUNCILMAN ROSS**

463 Mr. Henry, give me a second here, if I might. We are on the hook for the entire amount,  
464 Councilwoman. We are the ones who are responsible for this settlement agreement.

465

466 **COUNCILWOMAN TARKANIAN**

467 This whole six hundred and something –

468

469 **COUNCILMAN ROSS**

470 Correct.

471

472 **COUNCILWOMAN TARKANIAN**

473 – as the court rules right now.

474

475 **COUNCILMAN ROSS**

476 The City of Las Vegas, per the interlocal agreement that we have with the Southern Nevada  
477 Workforce Investment Board and the other municipalities, their portions are adjusted by  
478 percentages. This is our percentage of that settlement. So, basically, you know, we could have  
479 put this entire amount on the agenda to be paid, and then, we, the City of Las Vegas, would be  
480 chasing the other municipalities.

481

482 **COUNCILWOMAN TARKANIAN**

483 No –

484

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485 **COUNCILMAN ROSS**

486 I would like the County, the City of Henderson, the other municipalities, the opportunity to step  
487 up to the plate and do the right thing. So, this is our portion of that interlocal agreement amount.

488

489 **COUNCILWOMAN TARKANIAN**

490 And I – understand that.

491

492 **COUNCILMAN ROSS**

493 Does that make sense?

494

495 **COUNCILWOMAN TARKANIAN**

496 It's, what you're doing is you're making it as what we plan to do with the hope that they will step  
497 up and do what they should do.

498

499 **COUNCILMAN ROSS**

500 Absolutely.

501

502 **COUNCILWOMAN TARKANIAN**

503 All right. Thank you.

504

505 **TOMMY RICKETTS**

506 Your Honor, if I could say a few words.

507

508 **MAYOR GOODMAN**

509 Certainly, Mr. Ricketts.

510

511 **TOMMY RICKETTS**

512 Tommy Ricketts, President of the Las Vegas City Employees Association. I inherited this having  
513 become the President in 1999. Having gone over to Nevada Business Services and having

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514 known quite few people that had transferred over there from working here in the tower, I got to  
515 know quite a few of 'em pretty good. We had several reps who were very active in our  
516 Association and this was our third bargaining group, which was very small group, but they had –  
517 a contract that there was a lot of things in that contract and there was a lot of issues. Having sat  
518 through all the hearings, having participated in this from the start, I want to see this through.  
519 I wanted to take the opportunity to, at least, address the fact that there have been instances in the  
520 past where this was, in my opinion, neglected; nobody wanted to deal with it. And unfortunately,  
521 sometimes you can agree to disagree, but I've got to say, for the record, having sat through this  
522 and having seen the individuals that we represented that were displaced and out of work, you  
523 know, everybody can point somebody else to be, out to be the villain. The last thing I wanna to  
524 do, I think, I have a very good working relationship with the City of Las Vegas, as do the  
525 employees, and as do I feel the same relationship with all of you on the Council. This wasn't  
526 done in – mean spirit or anything else. I think the individual who was the Director, Executive  
527 Director of NBS, who's also the Executive Director of NBS, Inc. four months before they shut  
528 the doors, as was found out by the MBR (sic) during hearings, there was some very definite anti-  
529 union animus going on; not in essence by, directly by the City of Las Vegas. I don't feel that. I  
530 don't think that was the case. But I think that there was a responsibility and a tie because it was  
531 happening under the City's nose.  
532 The last thing I wanna do is continue this, but I did want to take the opportunity to at least, the –  
533 two individuals, I believe, that are here from NBS, to at least address you or have that  
534 opportunity, if that's allowed –

535

536 **MAYOR GOODMAN**

537 Sure.

538

539 **TOMMY RICKETTS**

540 – Your Honor. And also think that, you know, on a separate note, regardless of which way you  
541 go, I wanna make sure that – we go down the right road and – we heal these wounds the best way  
542 we can and continue to make this, I guess, the example in the Valley. Nothing against the other

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543 entities, but I'm proud to work for the City. I'm proud to represent the employees that we  
544 represent.

545 And, you know, Councilman Weekly, you'll be in new digs, next time I see you, probably, but I  
546 gotta tell you on a parting note, since I wanna at least give you my thanks, we've endorsed you  
547 on every term. You were a City employee, saw you in the hallways. You've always been an  
548 upstanding example of what a City employee should be. I gotta tell you, you taught me one  
549 thing, you know, you gotta get respect, and if you don't have that and if you don't stand up for  
550 what you believe in, you know, you only have you to blame. So, thank you. I appreciate the  
551 example that you've set for me and the leaders in my organization, as to, you know, what you  
552 should be in the community and also what you should be at work. So, thank you.

553

554 **COUNCILMAN WEEKLY**

555 Thank you.

556

557 **TOMMY RICKETTS**

558 I'd like to introduce Diana Reed. She was a claimant in the suit and was one of the individuals  
559 that was one of our reps that was displaced, humiliated and, I – mean, it left a very bad taste in  
560 my mouth, and at the same time it happened under the City's nose. So, with that, Diana.

561

562 **MAYOR GOODMAN**

563 Ms. Reed.

564

565 **DIANA REED WATERS**

566 Hello. As they said, Mayor, my name is Diana Reed Waters. I was one of those employees.  
567 This' been going on now for six years. It's been affective since 2000. Councilwoman asked  
568 about how were the employees displaced. Believe me, we were definitely harmed by this. A lot  
569 of folks were very close to retirement. It affected the retirement benefits, medical benefits; it  
570 affected us harshly. Also, you know, this was stipulated, where they're only paying for two  
571 years. They are not paying for six years. You know this could have been pushed on and say,

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572 hey, pay for six years. We've given up a lot. Plus, there're still employees that are displaced;  
573 had not had another job. And as you said, you picked out and chosen as being a troublemaker, so  
574 therefore, you were not open for any other type of municipality position. So, the best I can  
575 suggest, to request is that the other employees have suffered tremendously as a result of this.

576

577 **MAYOR GOODMAN**

578 Thank you. Would you like the other, anybody else like to speak who was (inaudible)?

579

580 **DIANA REED WATERS**

581 Sandra Martinez.

582

583 **SANDRA MARTINEZ**

584 (Inaudible)

585

586 **MAYOR GOODMAN**

587 Why don't you come up.

588

589 **DIANA REED WATERS**

590 Come up here, Sandra.

591

592 **MAYOR GOODMAN**

593 Please tell us who you are for the record.

594

595 **SANDRA MARTINEZ**

596 My name is Sandra Martinez, Councilman and members of the City Council. I don't think I  
597 could say it any better than Ms. Reed has already done.

598

599 **MAYOR GOODMAN**

600 Thank you, very much.

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602     **SANDRA MARTINEZ**

603     Thank you.

604

605     **MAYOR GOODMAN**

606     All right. Thank you gentlemen. Mr. Henry, anything further?

607

608     **BILL HENRY**

609     No, Your Honor.

610

611     **MAYOR GOODMAN**

612     All right. Fine.

613

614     **COUNCILMAN BROWN**

615     Your Honor?

616

617     **MAYOR GOODMAN**

618     Yes. (Inaudible), Councilman Brown.

619

620     **COUNCILMAN BROWN**

621     Question. Who would be responsible for the actions of the executive director? Would the by-

622     laws call out that?

623

624     **BILL HENRY**

625     I don't know. Generally the Board is responsible for the actions of the executive director or, you

626     know, the chief operating officer.

627

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628 **COUNCILMAN BROWN**

629 I guess, Mayor, you brought it up earlier, it may be there's an obligation out there. But I just  
630 think that if that board was the governing body for that executive director's action, then it  
631 appears to me that there'd be some linkage back to a legal responsibility of the board members.

632

633 **MAYOR GOODMAN**

634 That could well be. We – hear that it was defunct or what was the word that you used? Bankrupt  
635 or –

636

637 **BILL HENRY**

638 Well, it –

639

640 **MAYOR GOODMAN**

641 Had no assets?

642

643 **BILL HENRY**

644 Yeah. Legally it stopped existing.

645

646 **MAYOR GOODMAN**

647 I understand, but the – actions of those who were responsible, for what appears to be a, an act of  
648 mistreatment of City employees, you would think that they would be held financially responsible.

649 I – know –

650

651 **BILL HENRY**

652 Right. What –

653

654 **MAYOR GOODMAN**

655 – that if in fact, I'm not gonna point my finger at anyone, but if the director was responsible for  
656 this, I mean, he – could have to respond in money damages, not just us.

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658 **BILL HENRY**

659 Each one of the signatories provided an elected official to sit on this board, Mayor.

660

661 **MAYOR GOODMAN**

662 No, I appreciate that, but I heard the name of somebody else who apparently was a director or in  
663 charge of, Mr. Blue.

664

665 **TOMMY RICKETTS**

666 He could be sitting on your Council.

667

668 **MAYOR GOODMAN**

669 Excuse me?

670

671 **TOMMY RICKETTS**

672 No. I'm sorry. Strike that comment.

673

674 **COUNCILMAN ROSS**

675 Your Honor, if I could make a comment. Keep in mind, Nevada Business Services was the  
676 government entity receiving the federal dollars to provide worker training opportunities. When  
677 the federal law changed, it went from Nevada Business Services, the government entity, to  
678 Nevada Business Services, a 501C3 corporation and thus, I think it was the establishment of the  
679 Southern Nevada Workforce Investment Board. I can't, I'm not sure on my timelines.  
680 Councilman Weekly, am I getting clo, am I close?

681

682 **COUNCILMAN WEEKLY**

683 Yes, you are.

684

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685 **COUNCILMAN ROSS**

686 So, once that transition took place, the release of all these employees occurred. That transition  
687 still could've taken place if the director was following the collective bargaining agreement.

688

689 **MAYOR GOODMAN**

690 And – that's my point.

691

692 **COUNCILMAN ROSS**

693 In a timely manner.

694

695 **MAYOR GOODMAN**

696 My point is that the director did something wrong. It seems so many times people get off the  
697 hook and walk away.

698

699 **COUNCILMAN ROSS**

700 Well, and I want to throw one caveat in there, Your Honor. We, the Southern, I don't know who  
701 the legal counsel was at the time. Mr. Henry, you could probably answer that, but our legal  
702 counsel for the Southern Nevada Workforce Board at this time is a member of the District  
703 Attorney's Office, from the County. So, and Mr. Henry, if I'm correct, was that the same way  
704 prior in years past?

705

706 **BILL HENRY**

707 My understanding is, and I inquired into this, as – I previously stated, some time ago, at the time  
708 this, Nevada Business Service stopped existing and the next day Nevada Business Services, Inc.  
709 started existing, the City provided management support, which was so intensive that it isn't true  
710 – it is true that EMBR, EMRB found us to, in essence, be an employer. But the County, through  
711 a Deputy District Attorney provided legal advice.

712

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713     **MAYOR GOODMAN**

714     Was it good advice?

715

716     **BILL HENRY**

717     No. I've spoken to the Deputy District Attorney who chose not to advise the client to give this  
718     legal notice.

719

720     **MAYOR GOODMAN**

721     I don't know. I think we're letting people off the hook too easily here, but that doesn't have  
722     anything to do with the question of the settlement. But I, something doesn't smell right to me. It  
723     really doesn't.

724

725     **TOMMY RICKETTS**

726     Your Honor, if I could.

727

728     **MAYOR GOODMAN**

729     Yes.

730

731     **TOMMY RICKETTS**

732     At that time I was involved in some meetings where it wasn't like dealing with the City. I – gotta  
733     tell you, I'm glad I don't have to deal with that on a daily basis. I think the City, even though  
734     we've agreed to disagree, the legal counsel, the legal team, here we've got along professionally.  
735     This probably wouldn't be the same case, but from day one when these issues were coming  
736     about, and when issues in the workplace were brought to my attention, it was, is very upsetting.  
737     The advice and the very, I guess, arrogance or sarcastic way that it was presented was, you don't  
738     have to listen to them, don't worry about it. At the same light, the same individual is  
739     representing this case and has from the existence of this since 1999. So, I just wanted to tell you  
740     that it's still the same individual.

741

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742 **MAYOR GOODMAN**

743 Well, yeah, but it stinks. It stinks. It really smells. It stinks and I – feel that we have to limit our  
744 liability. And I understand where you're coming from. I just hope that your faith and your  
745 fellow elected officials in the other jurisdictions is warranted?.

746

747 **COUNCILMAN ROSS**

748 Well, I hope so too, Your Honor. And – it's important that we move forward with this in a good  
749 faith effort. We need to bring some closure to this.

750

751 **MAYOR GOODMAN**

752 I understand.

753

754 **COUNCILMAN ROSS**

755 You know, again, I'll do my best to – make that happen for the CEA. But it, this is just an  
756 example, and not only to our City Manager's Office, but to us as elected public servants, is that  
757 every board we serve on, every thing that we have the City's name is tied to, we need to pay  
758 attention to what's going on so this doesn't occur again, so employees aren't displaced, so  
759 collective bargaining agreements are met and lived up to.

760 Again, I can't emphasize more how this could have been avoided and we wouldn't be having this  
761 discussion today.

762

763 **MAYOR GOODMAN**

764 I appreciate that.

765

766 **TOMMY RICKETTS**

767 Your Honor, one – last thing?

768

769 **MAYOR GOODMAN**

770 Yes.

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772 **TOMMY RICKETTS**

773 If this – through you to Councilman Ross, if the other entities do not vote on this in lieu of going  
774 all the way through the Supreme Court and the expenditures, I would just ask the Council to do  
775 the right thing and reconsider a motion or an agenda item that would address this issue on behalf  
776 of these employees so that they can get on with their lives and we can, kind of, close this wound,  
777 in lieu of going through the Supreme Court hearing. Thank you.

778

779 **MAYOR GOODMAN**

780 I appreciate that. All right. Councilman Brown.

781

782 **COUNCILMAN BROWN**

783 Your Honor, my sense is that we want to hold this until our April 4th meeting, but are we going  
784 to take any action, as far as the monetary?

785

786 **MAYOR GOODMAN**

787 Yes, I think that the appropriate motion would be, based on what I heard, move to pay the two  
788 hundred and seventy-three thousand and then start immediately to get the balance from the –

789

790 **BILL HENRY**

791 The agenda item, Mayor, is to authorize the City Manager to pay the two seventy-three –

792

793 **MAYOR GOODMAN**

794 Okay.

795

796 **BILL HENRY**

797 – if the other municipalities --

798

799 **MAYOR GOODMAN**

800 Right, that's what I mean.

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802 **BILL HENRY**

803 Awe, okay.

804

805 **MAYOR GOODMAN**

806 Right, but do it quickly –

807

808 **COUNCILMAN BROWN**

809 Right.

810

811 **MAYOR GOODMAN**

812 – so these people can get their money.

813

814 **COUNCILMAN BROWN**

815 **Okay. Your Honor, I would -- move to follow that recommendation, with the direction**  
816 **from the Board also to get some kind of written communication with the other entities**  
817 **indicating that we are on a timeline here, so it's not just a communication breakdown that**  
818 **they can wait ninety days or a hundred and twenty days.**

819

820 **MAYOR GOODMAN**

821 Right.

822

823 **COUNCILMAN BROWN**

824 So, that – would be my motion.

825

826 **MAYOR GOODMAN**

827 Well, we have that April deadline there, which is good.

828

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829 **BRUCE SNYDER**

830 Right. It's April 12th and we would also be willing to meet with whatever entities you need, you  
831 know, provided the other attorneys in the case.

832

833 **MAYOR GOODMAN**

834 All right. Very good. All right. There's a motion, let's vote, please. Post. Motion carries.  
835 **(Motion carried unanimously with Reese excused)** Thank you.

836

837 **BRUCE SNYDER**

838 Thank you.

839

840 **TOMMY RICKETTS**

841 Thank you.

842

843 **(END OF DISCUSSION)**

844 /cv/ac;yy